

REPUBLICAN BUDGET UNDERMINES AMERICA'S PRIORITIES

Democrats Continue the Fight for a Responsible Budget

Even as middle class Americans are struggling to achieve financial security, the Republican budget ignores the very real challenges they are facing. It fails to create jobs, and instead creates record deficits. It shortchanges education, health care, veterans' benefits, and small business. Instead of helping working families, it provides additional tax breaks for those who need them least and millions of dollars in new giveaways to wealthy corporate interests.

Democrats have different priorities. We want to help all Americans achieve financial security, invest in programs that create good paying jobs, improve education, lower health care costs, make college more affordable, help small businesses grow, support our veterans and military retirees, and do more to protect our ports and borders from terrorism.

The Republican budget spends every penny of the \$1 trillion Social Security surplus over the next 5 years. Under Democratic leadership, the budget was balanced for the first time in a generation. The Bush Administration has squandered that legacy, turning a \$5.6 trillion surplus into a nearly \$3 trillion deficit. The Republican budget has deficits as far as the eye can see and spends the entire \$1 trillion Social Security surplus from 2005 to 2009.

The Republican budget does not create jobs and won't end incentives to ship jobs overseas. The Republican budget does nothing to create jobs here at home or end incentives for companies to ship jobs overseas, even though 3 million private sector jobs have been lost since the beginning of the Bush Administration. It underfunds the Small Business Administration, and does not extend unemployment insurance for 4.6 million unemployed Americans.

The Republican budget underfunds homeland security programs. The Bush Administration budget cuts first responder funding by \$648 million and cuts port security grants by 63 percent. And the House Republican budget is even worse. It cuts homeland security funding by an additional \$155 million in 2005 and \$857 million over five years.

The Republican budget fails to provide needed funding for veterans health care. The President's budget raises health care costs for up to 1 million veterans and fails to repeal the Disabled Veterans Tax, which forces disabled military retirees to give up one dollar of their pension for every dollar of disability pay they receive. The House Republican budget increases funding above the inadequate Bush request, but is still more than \$1 billion short of what veterans need. It contains an empty promise to end the Survivor Benefit Penalty, but only if cuts to other programs are made. And Republicans rejected Democratic efforts to increase family separation and imminent danger pay for men and women in uniform deployed around the world.

The Republican budget cuts environmental protection programs. The Republican budget cuts \$1.6 billion from environmental programs in 2005, and cuts \$6.4 billion from these programs over five years. In 1995, 82 percent of Superfund funding came from the Trust Fund. But under the Republican budget, 100 percent of Superfund funding comes from taxpayers' pockets.

Republican budget cuts health programs. The House Republican budget cuts \$358 million from health programs in 2005 – providing \$32 million less in appropriations than the Bush budget does in 2005, and \$11.4 billion less over the next five years than needed to maintain purchasing power at this year's level. It also cuts Medicaid and SCHIP by \$2.2 billion over the next five years.

More for special interests, not seniors. The Bush budget now includes \$46 billion in special payments to HMOs – over \$30 billion more than originally estimated – and does nothing to help seniors lower their prescription drug costs. Despite a new cost estimate for the Republican Medicare prescription drug bill of \$534 billion, Republicans are refusing to hold down drug costs, refusing to let the government negotiate discounts for seniors, and refusing to allow Americans to import less expensive drugs from Canada.

The Republican budget fails to include promised funding for education. The Bush budget provides \$9.4 billion less for education than was promised in the No Child Left Behind Act; freezes the maximum Pell Grant; cuts funding for Perkins Loans; and cuts vocational education by 25 percent. And yet the House GOP budget provides only \$479 million more for education and training in Fiscal 2005 than the Bush budget. Even if these funds were devoted entirely to No Child Left Behind, it would still leave the GOP budget almost \$9 billion short of the amount promised.

Unlike Republican budget, Democratic budget is fiscally responsible. Democrats believe that Congress should know how we are going to pay for new tax cuts and spending initiatives when they are passed. Yet House Republicans have refused to include in their budget the common sense “pay as you go” budget rules designed to control deficit spending. Republicans should make the hard choices and defend their priorities, rather than simply hiding the cost, increasing the deficit, and piling debt on our children.

